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DD/S 67-1585

28 MAR 1967

MEMORANDUM FOR: Executive Director, Comptroller**SUBJECT:** Revised Recommendations on Implementing Consultant Report on Agency Procurement System**REFERENCE:** Memo dtd 23 Dec 66 fr DD/S to Ex. Dir., Compt., subj: Consultant Report on Agency Procurement

1. The meeting of senior Agency officers held on 6 March 1967 to discuss alternatives to implementing the recommendations of the Livingston Report proved most valuable. As a result of that meeting, and subsequent conversations among us, I am now submitting to you, after further reconsideration, revised recommendations which are designed to increase the efficiency of the Agency Procurement System. These recommendations supersede my previous submission to you of 23 December 1966.

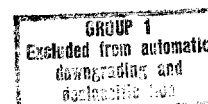
2. The recommendations, totaling six in number, are presented to you in general terms so that, depending upon our obtaining your approval, we may retain a posture of flexibility in developing them in more precise detail with the Operating Directorates. It is becoming increasingly clear, I believe, to all of us that the nature and activities of the several Operating Directorates are such that there probably should be some variance in the implementation of these proposals amongst them. Upon receipt of your approval, we will proceed to have individual and direct negotiations with each Operating Directorate on the scope and monetary limitation of the delegations involved and then will submit to you for additional approval agreed positions.

3. The recommendations as now presented for approval are as follows:

a. The current responsibility of the Director of Logistics as the Agency Contracting Officer for all contractual actions funded by Agency appropriations be reaffirmed.

b. The Director of Logistics be authorized to delegate contracting authority to qualified members of his career service who are assigned to Operating Components to perform a contracting function.

c. The Director of Logistics be authorized to establish a Contract Review Board composed of one member nominated by each of the four Deputy Directors

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and chaired by a nominee of his choice. He will also be authorized to request the Office of General Counsel, the Office of Finance, and the Office of Security to nominate an advisor to the Board. The Board will act in an advisory and recommending role to the Director of Logistics in his role as the senior Agency Contracting Officer. He will develop, in consultation with the nominated Board members, a statement of responsibilities and submit it to the Deputy Director for Support for approval prior to the Board's being officially convened.

d. The establishment of a "contracting team" concept in each Directorate, with the staffing of such teams to be in accordance with the needs of the Directorate as identified by negotiation between the Director of Logistics and each Deputy Director. The contracting officer assigned to the Directorate will be the senior member of the team and, according to need, there will either be assigned security and audit officers or, should there be a lack of a full time need for such competency, specifically selected officers from both the Offices of Security and Finance will be identified to support the contracting officer. Additionally the Director of Logistics may delegate to these contracting officers specified contracting authority at an agreed upon level with each Deputy Director but such delegation shall not exceed per contract action.

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e. The Chief, Support Services Staff/DD/S expand the scope of the present system design effort with the objective of developing a single contract Management Information System for the Agency, and that the other Directorates assign personnel to assist in the design of the system to ensure the proper input of information from their respective components. Priority attention will be given to completion of the system.

f. The Director of Logistics, after concluding the agreements discussed above and obtaining the necessary approvals, undertake the necessary revision of Agency regulations and handbooks.

4. I recommend that you approve these recommendations and, accordingly, authorize the Director of Logistics to commence the necessary discussions and implementation of the program set forth above.

SIGNED R. L. Bannerman

R. L. Bannerman
Deputy Director
for Support


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CONCURRENCES:

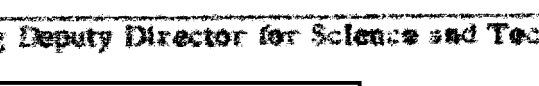
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for  **Deputy Director for Intelligence**

29 MAR 1967
Date

 **Deputy Director for Plans**

Date

 **Acting Deputy Director for Science and Technology**

Date

 **Inspector General**

Date

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The recommendations contained in paragraph 3 are approved.

26 APR 1967

/s/ L. K. White

L. K. White
Executive Director-Comptroller

Date

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